

1 RUTAN & TUCKER, LLP
2 Roger F. Friedman (State Bar No. 186070)
3 rfriedman@rutan.com
4 Philip J. Blanchard (State Bar No. 192378)
5 pblanchard@rutan.com
6 Ashley M. Teesdale (State Bar No. 289919)
7 ateesdale@rutan.com
8 611 Anton Boulevard, Suite 1400
9 Costa Mesa, California 92626-1931
10 Telephone: 714-641-5100
11 Facsimile: 714-546-9035

7 || Attorneys for Creditor ARB, INC.

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

11
12 In re
13 PG&E CORPORATION
14 and
15 PACIFIC GAS AND ELECTRIC
16 COMPANY
17
18 Debtors.

Case No. 19-30088 DM (Lead Case)
(Jointly Administered with Case No.
19-30089 DM)

Chapter 11

**NOTICE OF CONTINUED
PERFECTION OF AMENDED
MECHANICS LIEN PURSUANT
TO 11 U.S.C. § 546(b)(2)**

[Santa Clara County, Document
No. 24238100]

18 Affects PG&E Corporation
19 Affects Pacific Gas and Electric Company
 Affects both Debtors.

21 * All papers shall be filed in the Lead
Case No. 19-30088 DM.

23 ARB, Inc. ("ARB"), by and through its undersigned counsel, hereby gives notice of
24 continued perfection of its amended mechanics lien under 11 U.S.C. § 546(b)(2), as
25 follows:

1. ARB is a corporation that has provided and delivered labor, services, equipment, and materials for the construction and improvement of projects on real property located in the County of Santa Clara, State of California (the "Property") and

1 owned by PG&E Corporation and/or Pacific Gas and Electric Company (collectively, the
2 “Debtors”).

3 2. Through January 29, 2019 (the “Petition Date”), the amount owing to ARB
4 was approximately \$902,844.00, exclusive of accruing interest and other charges. Before
5 the Petition Date, on January 24, 2019, ARB properly perfected its mechanics lien under
6 California Civil Code §§ 8400, *et seq.* by timely recording its Mechanics Lien (Claim of
7 Lien) in the amount of \$902,844.00 in the Official Records of Santa Clara County, State of
8 California, as Document No. 24102934 (“Initial Mechanics Lien”).

9 3. After all appropriate credits and offsets, the amount owing to ARB through
10 July 24, 2019, is at least \$873,023.44, exclusive of accruing interest and other charges.
11 Accordingly, on July 24, 2019, ARB amended its lien claim amount and continued the
12 proper perfection of its mechanics lien under California Civil Code §§ 8400, *et seq.* by
13 timely recording its Amended Mechanics Lien (Claim of Lien) in the amount of
14 \$873,023.44 in the Official Records of Santa Clara County, State of California, as
15 Document No. 24238100 (“Amended Mechanics Lien”), a true and correct copy of which
16 is attached hereto as Exhibit A.

17 4. Pursuant to California Civil Code § 8460, an action to enforce a lien must be
18 commenced within 90 days after recordation of the claim of lien. However, due to the
19 automatic stay set forth in 11 U.S.C. § 362, ARB is precluded from filing a state court
20 action to enforce its mechanics lien. 11 U.S.C. § 546(b)(2) provides that when applicable
21 law requires seizure of property or commencement of an action to perfect, maintain, or
22 continue the perfection of an interest in property, and the property has not been seized or
23 an action has not been commenced before the bankruptcy petition date, then the claimant
24 shall instead give notice of its intent to enforce the lien within the time fixed by law for
25 seizing the property or commencing an action. See 11 U.S.C. § 546(b)(2); see also In re
26 Baldwin Builders (Village Nurseries v. Gould), 232 B.R. 406, 410-411 (9th Cir. 1999);
27 Village Nurseries v. Greenbaum, 101 Cal.App.4th 26, 41 (Cal. Ct. App. 2002).

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1 5. Accordingly, ARB previously provided notice of its rights and its intent to
2 enforce its rights as a perfected lienholder in the Property pursuant to California's
3 mechanics lien law. On February 22, 2019, ARB filed its Notice of Continued Perfection
4 of Mechanics Lien Pursuant to 11 U.S.C. § 546(b)(2) with respect to its Initial Mechanics
5 Lien [Dkt. No. 554] to preserve, perfect, maintain, and continue the perfection of its lien
6 and its rights in the Property to comply with the requirements of California state law,
7 11 U.S.C. §§ 362(a), 362(b)(3), and 546(b)(2), and any other applicable law ("Initial
8 Notice of Continued Perfection").

9 6. Due to the amendment of ARB's Initial Mechanics Lien, ARB hereby
10 provides further notice of its rights and its continuing intent to enforce its rights as a
11 perfected lienholder in the Property pursuant to California's mechanics lien law. ARB is
12 filing and serving this notice to preserve, perfect, maintain, and continue the perfection of
13 its lien and its rights in the Property to comply with the requirements of California state
14 law, 11 U.S.C. §§ 362(a), 362(b)(3), and 546(b)(2), and any other applicable law. The
15 Initial Notice of Continued Perfection and this notice constitute the legal equivalent of
16 having recorded a mechanics lien in the recorder's office for the county where the Property
17 is located and then having commenced an action to foreclose the lien in the proper court.
18 By the Initial Notice of Continued Perfection and this notice, the Debtors and other parties
19 in interest are estopped from claiming that the lawsuit to enforce ARB's mechanics lien
20 was not timely commenced pursuant to applicable state law. ARB intends to enforce its
21 lien rights to the fullest extent permitted by applicable law. The interests perfected,
22 maintained, or continued by 11 U.S.C. § 546(b)(2) extend in and to the proceeds, products,
23 offspring, rents, or profits of the Property.

24 7. The filing of the Initial Notice of Continued Perfection and this notice shall
25 not be construed as an admission that such filing is required under the Bankruptcy Code,
26 California mechanics lien law, or any other applicable law. In addition, ARB does not
27 make any admission of fact or law, and ARB asserts that its lien is senior to and effective
28 against entities that may have acquired rights or interests in the Property previously.

8. The filing of the Initial Notice of Continued Perfection and this notice shall not be deemed to be a waiver of ARB's right to seek relief from the automatic stay to foreclose its mechanics lien and/or a waiver of any other rights or defenses.

9. ARB reserves all rights, including the right to amend or supplement this notice.

Dated: October 3, 2019

RUTAN & TUCKER, LLP
ROGER F. FRIEDMAN
PHILIP J. BLANCHARD
ASHLEY M. TEESDALE

By: /s/ Roger F. Friedman
Roger F. Friedman
Attorneys for Creditor ARB, INC.

EXHIBIT A

RECORDING REQUESTED BY AND MAIL TO:
(Name and mailing address, including city, state,
and ZIP code, of requesting party)

Philip J. Blanchard (State Bar No. 192378)
RUTAN & TUCKER, LLP
611 Anton Blvd., Suite 1400
Costa Mesa, California 92626
(714) 641-5100

24238100

Regina Alcomendras
Santa Clara County - Clerk-Recorder

07/24/2019 12:35 PM

Titles: 1 Pages: 4

**Fees: \$114.00
Taxes: \$0
Total: \$114.00**



SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE

DOCUMENT TITLE

ABSTRACT OF JUDGMENT
 ACKNOWLEDGMENT OF SATISFACTION OF JUDGMENT
 OTHER (specify): AMENDED MECHANICS LIEN

MECHANICS LIEN RECORDED:

DATE: January 24, 2019
DOCUMENT NO.: 24102934
AMOUNT: \$902,844.00

AMENDED MECHANICS LIEN
(CLAIM OF LIEN)

NOTICE IS HEREBY GIVEN: That, ARB, Inc., 26000 Commercentre Drive, Lake Forest, California 92630 (“Claimant”) claims a lien for labor, service, equipment, and/or materials under Section 8400, et seq., of the Civil Code of the State of California, upon the premises hereinafter described, and upon every estate or interest in such structures, improvements and premises held by any party holding any estate or interest therein.

The labor, service, equipment and/or materials were furnished for the construction of those certain buildings, improvements, or structures now upon those certain parcels of land situated in the County of Santa Clara, State of California, said land described as follows:

R349B MP 12.33-12.87

**Gas Mainline Located in between the San Francisquito Channel and the Palo Alto Golf Course, Nearest address is the Palo Alto Golf Course:
1875 Embarcadero Road, Palo Alto, CA 94303**

The lien is claimed for the following kind of labor, services, equipment and/or materials: Complete retirement of 2,950 feet of existing 20-inch natural gas transmission pipeline, installation of approximately 3,218 feet of 24-inch natural gas transmission pipeline, and 131 feet of 20-inch natural gas transmission pipeline L-101, and related work.

The amount due after deducting all just credits and offsets: **\$873,023.44.**

The name of the person or company to whom claimant furnished labor, services, equipment or materials is: Pacific Gas and Electric Company, 77 Beale Street, 24th Floor, Mail Code B24W, San Francisco, California 94105.

The owner or reputed owner of said premises is: Pacific Gas and Electric Company, 77 Beale Street, 24th Floor, Mail Code B24W, San Francisco, California 94105.

Exhibit A, Page 6

**NOTICE OF AMENDED MECHANICS LIEN
ATTENTION!**

Upon the recording of the enclosed AMENDED MECHANICS LIEN with the county recorder's office of the county where the property is located, your property is subject to the filing of a legal action seeking a court-ordered foreclosure sale of the real property on which the lien has been recorded. That legal action must be filed with the court no later than 90 days after the date the mechanics lien is recorded.

The party identified in the mechanics lien may have provided labor or materials for improvements to your property and may not have been paid for these items. You are receiving this notice because it is a required step in filing a mechanics lien foreclosure action against your property. The foreclosure action will seek a sale of your property in order to pay for unpaid labor, materials, or improvements provided to your property. This may affect your ability to borrow against, refinance, or sell the property until the mechanics lien is released.

BECAUSE THE LIEN AFFECTS YOUR PROPERTY, YOU MAY WISH TO SPEAK WITH YOUR CONTRACTOR IMMEDIATELY, OR CONTACT AN ATTORNEY, OR FOR MORE INFORMATION ON MECHANICS LIENS CO THE CONTRACTORS' STATE LICENSE BOARD WEB SITE AT www.cslb.ca.gov.

Date: July 20, 2019

Claimant: ARB, Inc.

By:

John Perisich
Executive Vice President

VERIFICATION

I, John Perisich, the undersigned, state that I am the Executive Vice President of ARB, Inc., the claimant named in the foregoing Amended Mechanics Lien. I have read said Amended Mechanics Lien and know the contents thereof, and I certify that the same is true of my own knowledge.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Date: July 20, 2019

ARB, Inc.

By:

John Perisich
Executive Vice President

SEE ATTACHED PROOF OF SERVICE AFFIDAVIT INCORPORATED HEREIN

Exhibit A, Page 7

PROOF OF SERVICE AFFIDAVIT
STATE OF CALIFORNIA, COUNTY OF ORANGE

I am employed in the County of Orange. I am over the age of eighteen years and not a party to the within Amended Mechanics Lien. My business address is 611 Anton Blvd., 14th Floor, Costa Mesa, California 92626.

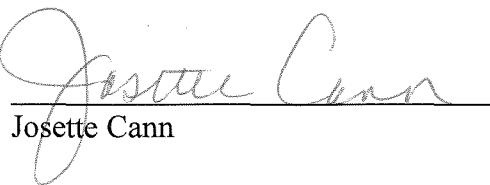
On July 28, 2019, I served a copy of the enclosed **Amended Mechanics Lien and Notice of Amended Mechanics Lien** on the following person(s) by placing true copies thereof enclosed in sealed envelope(s) and/or package(s) addressed as follows:

Owner or Reputed Owner: Pacific Gas and Electric Company
77 Beale Street, 24th Floor
Mail Code B24W
San Francisco, California 94105

BY CERTIFIED MAIL and U.S. MAIL: I am "readily familiar" with the firm's practice of collection and processing correspondence for Certified Mail and First Class U.S. Mail. Under that practice it would be deposited with the U.S. postal service on that same day with postage thereon fully prepaid at Costa Mesa, California, in the ordinary course of business. I am aware that on motion of the party served, service is presumed invalid if postal cancellation date or postage meter date is more than one day after date of deposit for mailing in affidavit.

I certify and declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on July 28, 2019, at Costa Mesa, California.



Josette Cann
Josette Cann

Exhibit A, Page 8